

House Republican Press Release

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Rep. Hamzy: Bristol, Plymouth Gain in 2006 – 2007 State Budget



Spending Plan Passed by House Features Increased State Aid for Both Towns

The \$16 billion state budget approved by the state House of Representatives Sunday includes increases in annual grants for both Bristol and Plymouth and additional grants to help towns defray the local cost of providing special education, state Representative William A. Hamzy said today.

The measure (House Bill 5845) was approved Sunday by the state House of Representatives on a 139 – 9 vote.

“The annual state grants, which include state aid to local school districts and to help towns pay for local road maintenance, show significant increases for both towns,” said Representative Hamzy, R-78th District, who voted for the compromise budget.

Total annual state grants for Bristol amount to \$39,811,154 for the 2006 – 2007 fiscal year, for an increase of \$836,524 over the 2005 – 2006 total of \$38,974,630. In addition, Bristol will receive an additional grant of \$364,363 to help the city defray its special education costs. Plymouth’s total annual state grants for 2006 – 2007 amount to \$9,332,230, for an increase of \$154,217 over the town’s 2005 – 06 total of \$9,178,013. Plymouth also will receive an additional grant of \$95,938 to help the town defray its special education expenses, Representative Hamzy said.

“The budget also increases the property tax credit people can take to reduce their state income tax liability from \$350 for the 2005 tax year to \$500 for the 2006 tax year; provides about \$35 million for special education aid and a one-time \$33 million revenue sharing program with municipalities. It also eliminates the 15 percent corporate tax surcharge for the 2007 income year, which will represent a significant saving for employers, leaving them more money to spend on expansion projects and to hire new workers,” Representative Hamzy said.

“Although I would have preferred that the governor’s proposal to eliminate the car tax had been kept in the budget, the positive aspects of the package outweighed the negatives and I was comfortable voting for it,” Representative Hamzy said. “The budget is under the state’s constitutional spending cap and contributes substantially more to the state’s Rainy Day Fund than the original budget approved by the majority Democrats on the Appropriations Committee. The budget we approved increases the contribution to the Rainy Day Fund from \$39 million, which the Democrats proposed, to \$190 million, which hikes the total in the Rainy Day Fund to \$800 million.”